

# Leaders' turn to feel the blowtorch



**Phil Teece**

Advisor,  
industrial relations &  
employment  
phil.teece@alia.org.au

It is widely-accepted now that Australian organisations must be seen as excellent workplaces if they are to meet the real challenges posed by competition and an ageing labour force. They will not attract the skilled staff required for their prosperity otherwise. It is easy to set this goal but much harder to achieve it.

At present, most have some way to go. As a recent Business Council study confirms, very few Australian workplaces already show the characteristics which make people really want to work there. It is not that most organisations are poor; rather that mediocrity is common. The study's authors believe that many more can achieve the standards of the present few exemplars, if they really try to. This, they say, begins with recognition of the key factors that make outstanding enterprises outstanding.

In all the best workplaces, the authors found an atmosphere of mutual trust and respect. They are convinced that this is the critical factor for outcomes, especially in those with high levels of uncertainty and turbulent operating climates. It was apparent that it cannot be created or maintained without constant renewal and attention from everybody. There must be a real connection between managers, their team and its members. This does not mean a utopian 'touchy-feely, best friends' approach. Rather, it means that managers trust their staff and allow them some autonomy, while staff take initiative and do not expect the manager to take all responsibility and make every decision.

From extensive field analysis and interviews, the researchers conclude that quality working relationships are the central pivot on which the best workplaces are founded. These are achieved through good leadership, clear values and the right of employees to 'have a say'. The study argues strongly that there is no magic in this; the characteristics of the best performers are identifiable, quantifiable and manageable.

The study finds a particularly Australian perspective that confirms earlier international research showing marked differences in employee definitions of excellence at work. In Germany, for example, it means an 'obsession with standards'; in Japan 'the pursuit of perfection'; in France 'luxury' and in the United States quality means 'it works'. In Australia, the research says excellence means 'quality of relationships — first'.

There are many variables — including pay, conditions, feedback, learning, ownership — which play a part in establishing this sort of climate. But the Business Council study puts greatest emphasis on workplace leadership. In the best organisations, good leaders are acutely aware of the impact their behaviour has on

how people feel about work and their job. They know their own behaviour is critical in setting the example. In these enterprises, staff appreciate and trust leaders who act as 'captain/coach', being fully available when needed but 'getting out of the way' when their involvement is not necessary. The research shows that accessibility is hugely important. Leaders who put barriers — physical, structural or psychological — between themselves and their staff will fail. The luxurious executive office with its literal or metaphorical closed door is a massive barrier to trust and respect. The authors reaffirm the finding of the 1996 study *Leaders in Australia* that the most-respected and effective leaders are those who: are enthusiastically followed without coercion; support their followers; are consistent; stick to their principles; and constantly consider others. Sadly, the recent *Leadership employment and direction survey* finds that almost half of surveyed employees still report that their workplace leaders do not attempt to understand the issues that they face, do not listen to them and are not interested in their views. Clearly, these organisations have a long way to go.

More than a decade ago, the Business Council developed an extensive set of goals for change to work practices, industrial negotiation, wage fixation and labour law systems in Australia. Much of that agenda has been implemented with some successful outcomes. Now the Council appears to be pursuing change in the quality of relationships at work. Everybody should support that objective. But it should be recognised that employees have endured huge stresses over the past ten years. There is little more change that can be wrung out of them. Now it is the turn of leaders who drove those reforms to submit to real scrutiny of their own contribution to workplace effectiveness. The largely forgotten Karpin Report [*Report of the Industry Taskforce on leadership and management skills*, AGPS 1995] was highly critical of the quality of Australian management. In pointing out the huge focus on employee flexibility and change, it emphasised that the need for management flexibility and improvement had been largely neglected. Karpin found that the most pervasive obstacle to Australia's quest for more productive ways of working was 'the cultural revolution which must occur in management'.

The Business Council's recent study — and others — confirm that not much has changed in the almost ten years since. There is clearly a great opportunity for organisations here. Let us hope they will now dedicate to the task of building better leadership and working relationships as much energy as they have to changing work practices and employee conditions in recent years. ■

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